

## CHAPTER 1

ADMINISTRATIVE AND GENERALA. AUTHORITY

This manual is issued under authority of DoD Directive 4000.25, (reference (a)).

B. PURPOSE

This manual provides data elements and codes, standard procedures, and formats to be used for billing and related adjustments, collections, and accounting for sales of materiel. This manual also provides the standard procedures and formats prescribed for the Interfund Billing System. The procedures, formats, and other requirements contained herein are hereafter referred to collectively as the "Military Standard Billing System" (MILSBILLS).

C. APPLICABILITY

MILSBILLS applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), the Unified and Specified Commands, and the Defense Agencies (hereafter referred to collectively as "DoD Components") and, by agreement, to other organizations participating in the DLSS; e.g., the General Services Administration.

D. POLICY

Under provisions of DoD Directive 4000.25, it is the policy of the Department of Defense that:

1. MILSBILLS shall be disseminated, as required, to the using levels of DoD Components. Supplemental procedures issued by DoD Components or other organizations are authorized when additional detailed instructions are required.

2. MILSBILLS shall be implemented uniformly between DoD Components and at all levels within each DoD Component. Priority shall be given to the development and implementation of inter-DoD Component procedures before separate development and implementation of intra-DoD Component procedures.

a. Requests for deviations or waivers shall be considered when it can be demonstrated that the system in question cannot provide a workable method or procedure or cannot accommodate interim requirements.

b. Deviations or waivers may not be requested solely to accommodate existing internal systems and procedures or organizational environments.

#### E. RESPONSIBILITIES

1. Under provisions of DoD Directive 4000.25 (reference (a)), the Assistant Secretary of Defense (Comptroller) (ASD(C)) shall provide policy guidance, shall oversee the MILSBILLS, and shall direct implementation of and compliance with the Directive as it relates to MILSBILLS. In carrying out his responsibility, the ASD(C) shall:

a. Approve the development of new MILSBILLS assignments or revisions to existing assignments.

b. Provide the DLSSO with policy guidance concerning the design, development, documentation, and maintenance of MILSBILLS procedures.

c. Review and approve DLSSO plans, priorities, and schedules for MILSBILLS.

d. Introduce new system improvements and expansion of the MILSBILLS.

e. Approve or disapprove requests to use a system other than the MILSBILLS.

f. Resolve issues submitted by the DLSSO concerning resources, policy, and requests for deviations or waivers from the use of MILSBILLS.

2. The Chief, Defense Logistics Standard Systems Office (DLSSO) shall establish a system administrator for the MILSBILLS.

3. The MILSBILLS Administrator shall:

a. Perform analysis and design functions, in coordination with the DoD Components, to implement guidance and instructions provided by the ASD(C) and to ensure the involvement of telecommunications planning in an integrated system design.

b. Recommend system improvements and additional policy, as required, during the development of procedures.

c. Develop, publish, and maintain this manual and its supplement (reference (b)), consistent with DoD 5025.1-M (reference (c)).

d. Evaluate and coordinate proposed system revisions with DoD Components, affected Federal Agencies, foreign governments, and industrial organizations and furnish a copy of all revision proposals to the ASD(MI&L) and the ASD(C).

e. Resolve issues concerning procedural matters within 90 days after receipt of all comments from DoD Components. Issues affecting resources or policy shall be referred, together with comments of DoD Components and a recommendation of the system administrator, to the ASD(C) for decision.

f. Disseminate to the ASD(MI&L), ASD(C), and to other DoD Components, a quarterly status review of all revision proposals that have not yet been approved for publication, or, that if approved, have not been implemented.

g. Ensure compatibility of assigned systems. Coordination shall be effected, when appropriate, among system administrators for assigned systems, with designated system administrators of other DoD logistics systems, and with related DoD logistics task groups. Compatibility among these systems and groups shall be attained, when appropriate, before coordination with the DoD Components.

h. Ensure uniform implementation of this manual by:

(1) Reviewing all supplemental procedures issued by DoD Components to ensure continuing conformance of revisions to the approved system.

(2) Reviewing implementation plans and implementation dates of DoD Components and making recommendations for improvements.

(3) Conducting periodic evaluations to determine effectiveness of the system.

(4) Conducting surveillance, through onsite visitations, of selected system segments in order to determine compliance with prescribed system requirements and to furnish clarification to ensure uniform interpretation of the requirements of the system.

(5) Reporting to ASD(C) the findings and recommendations of evaluations and surveillance visitations, along with comments of the DoD Components concerned.

(6) Securing semiannually from the DoD Components status information concerning implementation of approved system revisions.

i. Review and evaluate curricula of DoD and other DLSS participant training schools offering courses related to the MILSBILLS and make recommendations for improvements.

j. Assist in resolving problems, violations, and deviations that arise during system operations and that are reported to the system administrator. Unresolved problems and continued violations shall be referred to the ASD(C) for resolution or corrective action.

k. Review and coordinate with DoD Components, affected Federal Agencies, foreign governments, and industrial organizations all requests for system deviations and exemptions and make appropriate recommendations to the ASD(C) based on fact-finding studies or analysis of accompanying justification.

4. The Heads of DoD Components and Other Participating Organizations shall:

a. Designate an office of primary responsibility for the MILSBILLS to serve as the MILSBILLS focal point. They shall identify to the MILSBILLS Administrator the name of a primary and alternate focal point representative for the MILSBILLS to:

(1) Serve on the MILSBILLS Focal Point Committee.

(2) Provide the DoD Component or participating organization position and have the authority to make decisions regarding procedural aspects.

(3) Ensure continuous liaison with the MILSBILLS administrator and other DoD Components and participating organizations.

(4) Evaluate all suggested changes to the MILSBILLS that originate within his or her DoD Component or participating organization. Beneficial suggestions shall be evaluated initially by the focal point.

(a) If a suggestion is received by the MILSBILLS administrator directly for evaluation, it shall be forwarded to the appropriate DoD Component or participating organization focal point for review and evaluation.

(b) If the suggestion is considered worthy of adoption, the focal point shall submit a change proposal to the MILSBILLS Administrator, stipulating specific narrative changes to the manual concerned.

(c) Such proposed changes shall be coordinated in the normal manner with awards determined by the focal point in accordance with current procedures.

(5) Submit revision proposals to the MILSBILLS administrator with justification and expected benefits.

(6) Develop and submit to the MILSBILLS Administrator a single, coordinated DoD Component position on all system revision proposals within the time limit specified by the MILSBILLS Administrator.

(7) Participate in system surveillance, through onsite visitations in coordination with the MILSBILLS Administrator.

b. Implement approved systems and revisions thereto and provide the MILSBILLS Administrator with semiannual status information concerning implementation of approved system revisions. This information shall be submitted within 15 working days after the end of a designated semiannual cycle and shall begin with the first cycle following publication of the approved system change.

c. Accomplish internal training to ensure timely and effective implementation and continued operation of MILSBILLS. In addition, furnish copies of initial training instructions concerning MILSBILLS to the MILSBILLS Administrator.

d. Review, evaluate, and update, at least annually, curricula of internal training programs to ensure adequacy of training.

e. Provide representation to joint system design and development efforts and evaluations of the DLSS in coordination with the MILSBILLS Administrator.

f. Review internal procedures continually to eliminate and prevent duplication of records, reports, and administrative functions related to information provided by the DLSS.

g. Provide the DLA with an open rider requisition using SF 1, Printing and Binding Requisition, and bulk distribution lists to cover all printed changes to this manual and its supplement (DoD 4000.25-7-S1 (reference (b))). The SF 1 will be sent to:

HQ, Defense Logistics Agency  
Attention: DLA-XPD  
Cameron Station  
Alexandria, Virginia 22304-6100

h. Ensure that operating activities that support a MILSBILLS function comply with this manual and its supplement (reference (b)).

i. Furnish to the MILSBILLS Administrator copies of supplemental and internal procedures, and changes thereto, related to the operation of MILSBILLS.

j. Report to the MILSBILLS Administrator problems, violations, and deviations that arise during system operations.

F. FOCAL POINT COMMITTEE

1. Organization and Management. The MILSBILLS Focal Point Committee shall:

a. Consist of representatives from the DoD Components and other participating organizations for the MILSBILLS.

b. Be chaired by the MILSBILLS Administrator.

c. Meet at least quarterly. Minutes of these meetings shall be distributed by the MILSBILLS Administrator within 30 days.

2. Functions. The MILSBILLS committee shall participate in the development, implementation, and maintenance of the MILSBILLS.

3. Focal Point. The following have been designated as the office of primary responsibility or focal point for MILSBILLS matters within the following organizations:

Organization

Focal Points

Air Force

AFAFC/XSMM  
Denver, CO 80279-5000  
(AV 926-4781)

Army

Director, Finance and Accounting  
Asst. Secretary of the Army  
(FM)  
ATTN: SAFM-FAP-A  
Indianapolis, IN 46249-1026  
(AV 699-3035)

Coast Guard

Commandant  
U.S. Coast Guard  
ATTN: G-FAD-1  
Washington, DC 20593-0001  
(FTS 755-7667)

Defense Automatic Addressing  
System Office

Defense Automatic Addressing  
System Office  
ATTN: DAAS-VL  
Gentile Air Force Station  
Dayton, OH 45444-5320

Defense Logistics Agency

Comptroller  
Defense Logistics Agency  
ATTN: DLA-CFS  
Cameron Station  
Alexandria, VA 22304-6100  
(AV 284-6224)

<u>Organization</u>	<u>Focal Point</u>
Defense Security Assistance Agency	Comptroller Defense Security Assistance Agency ATTN: COMPT-FMD Washington, DC 20330-2800 (AV 227-2293)
General Services Administration and Non-Defense Agencies	Deputy Comptroller for Finance General Services Administration ATTN: BCTN Washington, DC 20405-0001 (FTS 566-0620)
Marine Corps	Commandant of the Marine Corps ATTN: FDF-21 Washington, DC 20380-0001 (AV 224-1954)
National Security Agency	Comptroller National Security Agency ATTN: N44 Ft. Meade, MD 20755-6000 (AV 235-0111, ext. 6260)
Navy	Commander Navy Accounting and Finance Center ATTN: NAFC-521 Washington, DC 20376-5001
DoD Components other than those shown above contact the DoD MILSBILLS Administrator	Chief, Defense Logistics Standard Systems Office ATTN: DLSSO-CB Cameron Station Alexandria, VA 22304-6100 (AV 284-7956)

G. PUBLICATION OF THE MANUAL

1. Organization and Numbering

a. In addition to the front matter (Foreword, Table of Contents, Acronyms, and Abbreviations, etc.), the manual is organized into chapters and appendices.

b. Each chapter is divided into sections and, where necessary, into paragraphs and subparagraphs. Sections are indicated by capital letters, paragraphs by numbers. Subdivisions of paragraphs

are indicated by lower case letters, by numbers in parentheses, by lower case letters in parentheses, by underscored numbers, and by underscored lower case letters, in that order; for example:

## Chapter 1

### A. Section

#### 3. Paragraph

##### a. Subparagraph

##### (1) Subparagraph

##### (a) Subparagraph

##### 1 Subparagraph

##### a Subparagraph

c. Appendices are identified by alphabetic and numerics to indicate an alphabetic group, e.g., A1, A2, B1, B2.

d. Pages are numbered in a separate series for each chapter and appendix. Pages of a chapter are numbered in sequence with arabic numerals beginning with 1. Each page number of a chapter is preceded by the number of the chapter. The page numbering system of the appendices indicates the number of the appendix, i.e., B1-, B2-, etc., followed by the page number of the appendix.

2. Distribution of the Manual. The Defense Logistics Agency will distribute this manual and formal changes to those designated points within each DoD Component and participating organization as requested by the organization or Component in their open rider requisition. Further distribution is accomplished within each organization based upon approved distribution data generated through their internal publication channels.

### 3. Formal and Interim Changes

a. Formal changes to this manual will be published as needed. Formal changes will be numbered consecutively and issued as page replacements. The change number will be indicated on each page and new or revised wording will be indicated by marginal lines.

b. The DAASO will furnish the DoD MILSBILLS Administrator, upon request, with an Electronic Composing System (ECS) negative for publication of a formal change to appendix D of this manual. The DoD MILSBILLS Administrator will request the negative at least 30 days in advance of the date desired and will provide the appropriate change number.



c. Interim changes will be issued to publish emergency or other changes when there is insufficient time to publish a formal change. All interim changes will be incorporated in a formal change without undue delay. Interim changes will be numbered consecutively and will indicate the formal change in which it will be incorporated. For example, the second interim change to be incorporated in change 3 will be numbered "IC 3-2." The MILSBILLS Administrator will distribute copies of interim changes as indicated in lists provided by the MILSBILLS Focal Points.

#### H. PROPOSED CHANGES

1. Activities proposing revisions to this manual or its supplement (reference (b)) will forward the proposal to their focal point.

2. If concurred with, the focal point will forward the proposed change to the MILSBILLS Administrator:

Chief, Defense Logistics Standard Systems Office  
ATTN: DLSSO-CB  
Cameron Station  
Alexandria, VA 22304-6100

3. The following information must accompany proposed changes to this manual when they are forwarded to the MILSBILLS Administrator:

a. Concept. A narrative description of the idea underlying the proposed change. What is the basic idea or problem?

b. Rationale. An explanation of the need for the change. Why is it a problem?

c. Interface. Known or potential impact on other DLSS or non-DLSS DoD logistics or financial system(s). Who should be involved with or know of this proposal?

d. Expected Benefits. Operational statement identifying known or potential advantages resulting from the proposed revision. Disadvantages, when known, should also be addressed.

e. Proposed Change. Proposed wording changes for this manual and other DoD publications upon which this change is contingent or are affected by the change.

4. The MILSBILLS Administrator will promptly evaluate and, when appropriate, staff proposed changes to this manual with the MILSBILLS Focal Points. A consecutively numbered proposed MILSBILLS change letter (PMCL) will be prepared to staff proposals. A minimum of 60 days will be allowed for staffing.

5. Prior to submitting proposed changes to the supplement (reference (b)), focal points will ensure that:

a. Treasury account symbols are valid or provide conversion instructions for reporting on the Statement of Interfund Transactions.

b. Suffix/limit codes cited on department "97" appropriations are valid as determined by OSD (reference (d)).

c. DODAACs cited are listed in the DODAAD (reference (e)).

6. Changes to the supplement (reference (b)) will normally be approved and published without coordination. When a standard procedure or policy is involved, a proposed change to the appropriate provisions of this manual must accompany the change to the supplement. Changes to fund codes which denote billing under noninterfund procedures must be staffed.

## 1. APPROVED CHANGES

1. Coordination. After a proposed change to this manual is approved, the MILSBILLS Administrator will, in coordination with the MILSBILLS Focal Points, establish an effective date for the change. Coordination will be effected through agreements reached during DoD MILSBILLS Focal Point committee deliberations or, in most cases, through letters to the MILSBILLS Focal Points.

2. Preferred Implementation Date. Request for implementation date (RFID) letters will allow the MILSBILLS Focal Points a minimum of 60 days for staffing. Changes will normally be effective on April 1 or October 1. Preferred dates more than one year in the future will also indicate whether or not any portion of the approved change can be implemented with one year's notice.

## 3. Effective Date

a. Following receipt and evaluation of DoD Component and participating Agencies preferred implementation dates, the MILSBILLS Administrator will select an effective date for changes to this manual. The approved change and its effective date will be formally announced by the MILSBILLS Administrator through release of an AMCL.

b. Except for fund codes denoting billing under noninterfund procedures, changes to the supplement (reference (b)) will be effective as of the date (first of a month) indicated by the focal point. However, when the change is received by the MILSBILLS Administrator less than 60 calendar days before the desired effective date, the change will be published effective the next scheduled period or as soon as possible.

4. Approved MILSBILLS Change Letters (AMCLs). AMCLs will be consecutively numbered and are provided to formally notify system, participants of approved changes. AMCLs may also be used as planning documents to assist participants in any program or system design efforts which may be necessary to implement the changes. The MILSBILLS Administrator will distribute copies of AMCLs as required by lists provided by MILSBILLS Focal Points.

5. Implementation. DoD policy (see section D) requires full implementation of MILSBILLS. If an approved change cannot be implemented as scheduled, the focal point must request approval for a deviation. Deviation requests must include a justification and show an understanding of the potential impact on other system participants. Deviation requests may relate to the implementation date, particular aspects of the change, or both. The administrator will attempt to resolve the request. Unresolved requests for deviation will be forwarded to the ASD(C) for decision.

#### J. SUPPLEMENTAL PROCEDURES

Supplemental procedures issued by DoD Components and participating Agencies are authorized when additional detail instructions are required. The following publications supplement the provisions of this manual within the DoD Components and participating Agencies:

1. Army: AR 37-12, Interfund Billing, Collection and Reporting Procedures;
2. Navy and Marine Corps: Navy Comptroller Manual; Volume 8, Chapter 6, Part B;
3. Air Force: AFR 177-101, Part Four, Chapter 27, Section K;
4. DLA: DLAM 7000.1, Accounting and Finance Manual, Chapter 11;
5. GSA: (a) FPMR-101.26-8, Discrepancies or Deficiencies in GSA or DoD Shipments, Material or Billings and

(b) FPMR 101-2.1 - Billings, Payments and Adjustments.

#### K. QUARTERLY STATUS REVIEW

The MILSBILLS Administrator will disseminate the quarterly status review required (section E) by DoD Directive 4000.25 (reference (a)) within 2 weeks of the close of the quarter. The report will be in two parts, one for open proposals in process and another for approved changes which are effective during the reporting or a future period.

L. SEMIANNUAL IMPLEMENTATION STATUS REPORT (RCS:DD-P&L(Q&SA)1419)

1. Purpose and Report Control Symbol. DoD Directive 4000.25 requires the DoD MILSBILLS Administrator to ensure uniform implementation of the Directive by securing from DoD Components and participating Agencies, on a semiannual basis, status information concerning implementation of approved MILSBILLS revisions. The reporting requirement ends after a status of "fully implemented throughout the Component or Agency" is provided. The purpose is to identify and resolve problems prior to the effective date. The Directive assigned RCS:DD-A&L(Q&SA)1419 as the report control symbol.

2. Report Form. The report must provide, at a minimum, the following information:

- a. Title. Semiannual Implementation Status Report.
- b. Report Control Symbol. RCS: DD-P&L(Q&SA)1419
- c. As of Date. 1 May and 1 November
- d. Approved MILSBILLS Change Number.
- e. Effective Date. As indicated on the AMCL.

3. Due Date. The report must be forwarded to the Chief, Defense Logistics Standard Systems Office, ATTN: DLSSO-CB, to arrive within 15 working days of the "as of" date of the report.

M. NONCOMPLIANCE WITH PRESCRIBED MILSBILLS PROCEDURES AND OTHER UNRESOLVED PROBLEMS

If reasonable attempts to obtain compliance with prescribed procedures or resolution of MILSBILLS related problems are unsatisfactory, the activity having the problem will request assistance from their MILSBILLS Focal Point. The request will include copies of all correspondence pertinent to the problem; such as, the requisition number, number and date of bill, billing office, and the shipping office. The focal points involved will take the necessary actions to resolve the issue or problem. Necessary actions may include requesting assistance from the MILSBILLS Administrator. The MILSBILLS Administrator will follow the procedures described in section E.

N. MINIMIZE CONDITIONS

When a minimize condition is imposed at a location, MILSBILLS documents and reports which are normally forwarded to that location via AUTODIN will be forwarded, instead, by regular mail for CONUS

addressees and airmail for overseas addressees. If neither the originating office nor DAASO is under minimize, MILSBILLS documents and reports may continue to be forwarded to DAASO via AUTODIN for further routing to the end destination.

**O. SIMULATED MOBILIZATION EXERCISE**

DI Code H series transactions have been reserved for use during simulated mobilization exercises in lieu of the normal "F" series DI codes. Although use of the "H" series DI codes is not mandatory, when exercises call for generating records prescribed by MILSBILLS, use of the "H" series DI codes is recommended.

## CHAPTER 2

### BILLING PROCEDURES

#### A. BILLING POLICIES

DoD 7420.13-R (reference (f)), DoD Directive 7220.9 (reference (g)), and DoD Instruction 7420.12 (reference (h)) provide the DoD policies governing procedures in this chapter.

#### B. CRITERIA FOR BILLING

1. Shipments from Stock. Billings will be effected on the basis of drop from inventory, provided that notification of warehouse refusal or other advice of nonavailability has not been received by the inventory control point within seven calendar days of drop from inventory. Exceptions are as follows:

a. Billings for foreign military sales and military assistance program shipments will be effected upon constructive delivery.

b. Billings for bulk POL shipments under mode/method codes 2, 8, W, and Z will be effected upon receipt notification provided that such notification has been received by the billing office within 15 days of the date of delivery; otherwise, billing will be effected upon notice of shipment or issue.

c. Billings for perishable subsistence chill and freeze items will be effected upon drop from inventory. Billings for fresh fruits and vegetables will be effected upon receipt of an issue transaction from a Defense Subsistence Office.

d. MAP sales requisitioned under authority of Section 506 of the Foreign Assistance Act (FMS/MAP requisition record position 35, FMS/MAP Type of Assistance Code, is "C") may not be billed until funds are appropriated. The determination to use Section 506 does not provide obligation or disbursing authority. Section 506 permits the drawdown of existing DoD stocks subject to an appropriation to be made at a later date to effect reimbursement to the Defense accounts. Should Congress fail to appropriate funds for this purpose, the Defense account must absorb these costs. Section 506 drawdowns of GSA or other non-DoD stocks are not authorized.

2. Direct Deliveries of Materiel from Contractors. When an inventory manager is out of stock, does not carry an item, or otherwise requests direct delivery of materiel from a vendor, the billing will be effected upon notification of receipt of materiel by the customer or notification of shipment by the vendor. However, issues by mode/method codes 2, 8, W, and Z will be billed based upon the issue transaction if the notification is not received by the inventory manager within 15 days of the date of issue.

C. PREPARATION OF BILLS

1. General. Bills will be prepared within 30 days of the criteria provided in section B and will identify each shipment or delivery.

2. Method of Billing

a. Billings to DoD offices will be under interfund procedures except as provided below.

b. Billing will be under noninterfund procedures when:

(1) the bill-to office is non-DoD (bill-to service code is numeric, G, or Z),

(2) the bill-to office is a DoD contractor (bill-to service code is C, E, L, Q, or U),

(3) the bill-to office is DoD (bill-to service code is alpha other than C, E, G, L, Q, U, or Z) and the fund code requires noninterfund billing, and

(4) the bill-to office is an other DoD Component (bill-to service code is H) and the fund code is not listed in the other Defense Agencies ("A") appendix of the supplement.

3. Determining Billed Offices

a. Billed offices will be assigned in accordance with the signal code cited on the requisition, report of excess, etc. When the signal code is C or L, the billed office is assigned by converting both positions<sup>1</sup> of the fund code to a billed DODAAC. The B series appendices of the supplement (reference (b)) provide appendices to be used, in conjunction with the Service or Agency code of the requisitioning DODAAC, to convert fund codes to billed DODAACs.

b. Whenever the coding or other information provided on a requisition, report of excess, or similar document does not designate a billed office DoDAAC or designates a DODAAC not currently published in the DODAAD (reference (e)), the requisitioning, excess reporting, or activity submitting the document will be designated<sup>2</sup> as the billed office. For IL requisitions, the requisitioning control office (Army/W25P02, Navy/N65916, and Air Force/FA2303) will be assigned as the billed office.

<sup>1</sup>Billing offices for DLA and GSA have until 1 Nov 89 to implement this provision. If billed DoDAACs are assigned based on only the first position, billed offices must follow Billing Advice Code 13 procedures if an incorrect billed DoDAAC is assigned.

<sup>2</sup>Billing offices have until 1 Nov 89 to implement this provision.

c. The mailing address for noninterfund bills will be the clear text address prescribed for billing (TAC 3, if assigned; otherwise, TAC 1) in the DoDAAD and the routing for interfund bills will be based on the same criterion.

#### 4. Nonreimbursable Bills

a. Except for the provisions of subparagraph c. below, materiel issued under nonreimbursable procedures will be reported to the billed office using the DI Code FE\_ series format.

b. DoD 7220.9-M (reference (i)) provides that if the amount of billings for any one customer is less than \$100 at the end of a fiscal year quarter the billing may be waived. Working capital funds and the Corps of Engineers civil works funds must not waive reimbursement of any amount.

c. GSA sometimes, at its discretion, processes requisitions of \$1 or less without billing. Therefore, any DoD Component having such items unbilled 60 days after receipt of materiel may assume that they will not be billed and cancel the obligation accordingly.

#### 5. Interfund Bills

a. All interfund bills will be forwarded, via AUTODIN, to DAASO for editing and routing to the offices billed. Bills will be transmitted to DAASO (route-to COMM RI of "RUEOZZA" and content indicator code of "IFBB") no later than the fifth working day of the month following the month in which the related interfund report is forwarded to the finance center.

b. Separate detail billing records, selected from the "B" series appendices, will be prepared for each shipment or delivery supporting the summary billing record.

c. With the exception of FMS<sup>3</sup> requisitions, the A series appendices of the supplement (reference (b)) provides appendices to be used, in conjunction with the Service/Agency code of the billed DoDAAC, to convert fund codes to appropriations. When a requisition cites an invalid fund code but is identified as FMS-funded, the FMS trust account will be charged. In addition, the FMS country code will be entered in the summary billing record of all FMS bills.

d. A separate interfund bill will be prepared for billings applicable to a given billed office for each appropriation and fund code within appropriation or when the sum of the detail billing records equals or exceeds 10 million dollars. A summary billing record may not summarize more than 494 detail billing records.

<sup>3</sup>See definitions and terms.



#### 6. Noninterfund Bills

a. SF 1080, Voucher for Transfers between Appropriations and/or Funds, (figure 2-1) or other form approved by Treasury, such as GSA Form 789, Statement, Voucher and Schedule of Withdrawals and Credits (figure 2-3), will be used as the billing document for non-interfund bills. A computerized version (figure 2-2) of the SF 1080-EDP, is also available.

b. An original and two copies of the noninterfund billing will be provided to the office billed. If an identification or bill number is used, only an original and one copy will be sent.

c. Noninterfund billings will be supported by the following minimum information: document order number, article or services, delivery date, quantity, and price. The first two items of information will usually be satisfied by the requisition document number and national stock number. The delivery date is the same as the day of year prescribed for the detail billing record appropriate for the issue. Billing offices need not provide EAM cards in the format prescribed in the B series appendices.

d. The procedures described in this section are based upon procedures prescribed by the Department of Treasury in chapter 2500 of the Treasury Financial Manual (reference (j)).

#### D. RETAIL LOSS ALLOWANCE

DoD 7420.13-R (reference (f)) requires the DLA Defense Stock Fund and other wholesale stock funds to grant a discount for retail losses to retail stock funds based upon net issues after authorized credits or offsets have been applied. These discounts are to provide funds for losses experienced at the retail stock fund level. Retail loss discounts shall not be granted for sales to commissaries and customers of retail or installation level stock fund activities. The discount will be included in standard prices as an additional surcharge element. The discount or allowance will be supported by a billing record in the DI Code FL\_ series format.

#### E. INTO-PLANE FUEL SALES

1. These procedures apply to DoD into-plane issues (sales) of fuels to DoD aircraft except when other billing procedures are specified by the terms of an inter-Service support agreement.

2. Reimbursable issues (sales) of fuel into DoD planes by DoD activities will be billed at the standard price in effect at the time of issue.

3. Contractor into-plane fuel issue will be billed at the standard price applicable to each such issue.

Standard Form 1080 Revised April 1982 Department of the Treasury TFRM 2-2500 1080-100-85					<b>VOUCHER FOR TRANSFERS BETWEEN APPROPRIATIONS AND/OR FUNDS</b>					VOUCHER NO	
Department, establishment, bureau, or office receiving funds <b>DoD Component X</b>					SCHEDULE NO					BILL NO <b>12345</b>	
Department, establishment, bureau, or office charged • DoD Component Y (H12345) • 899 S. Mason Alexandria, Va 22334					PAID BY						
ORDER NO.	DATE OF DELIVERY	ARTICLE OR SERVICES	QUAN- TITY	UNIT PRICE		AMOUNT					
				COST	PER	DOLLARS AND CENTS					
		(See attached schedule)  <div style="font-size: 4em; transform: rotate(-30deg); opacity: 0.5; position: absolute; top: 50%; left: 50%;">SAMPLE</div>									
			TOTAL		\$ 768.75						
Remittance in payment hereof should be sent to: <div style="margin-left: 100px;">           DoD Component X            Attn: Central Cashier            123 4th St SW            Washington, DC 20506         </div>											
ACCOUNTING CLASSIFICATION—Office Receiving Fund											
9750100.4321											
<b>CERTIFICATE OF OFFICE CHARGED</b> I certify that the above articles were received and accepted or the services performed as stated and should be charged to the appropriation(s) and/or fund(s) as indicated below, or that the advance payment requested is approved and should be paid as indicated.											
<div style="display: flex; justify-content: space-between;"> <div>(Date)</div> <div>(Authorized administrative or certifying officer)</div> </div> <div style="display: flex; justify-content: flex-end; margin-top: 10px;">       (Title)     </div>											
ACCOUNTING CLASSIFICATION—Office Charged											
Paid by Check No.											

NSN 7540-00-834-4230

Previous Editions Are Usable

Figure 2-1. Sample SF 1080

CH 4  
DoD 4000.25-7-M

SF 1080-EDP	VOUCHER FOR TRANSFERS BETWEEN APPROPRIATIONS AND/OR FUNDS		VOUCHER NO.	
DEPT., ESTABLISHMENT, BUREAU, OR OFFICE RECEIVING FUNDS				
DEFENSE INDUSTRIAL SUPPLY CENTER 700 ROBBINS AVENUE PHILADELPHIA, PA. 19111-5096			BILL NO. 8J154	
DEPT., ESTABLISHMENT, BUREAU, OR OFFICE CHARGED			PAID BY	
363203 30 VETERANS ADMIN - 512 GOVERNMENT ACCOUNTS SECTION PO BOX 2976 AUSTIN TX 78769			BILL DATE 24 AUG 87	
ORDER NO.	DATE OF DELIVERY	ARTICLES OR SERVICES	QUAN- UNIT PRICE TITY COST PER	AMOUNT DOLLARS/CENTS
(SEE ATTACHED LISTING) GROSS MATERIAL AMOUNT				1,038.52
ACCESSORIAL COSTS				36.35
TOTAL				1,074.87
REMITTANCE IN PAYMENT HEREOF SHOULD BE SENT TO-				
DEFENSE INDUSTRIAL SUPPLY CENTER 700 ROBBINS AVENUE PHILADELPHIA, PA. 19111-5096				
(MAKE CHECKS PAYABLE TO ACCOUNTING AND FINANCE OFFICER)				
ACCOUNTING CLASSIFICATION - OFFICE RECEIVING FUNDS				
97X4961.5105 01 C815 S36054				1,038.52
9770100.5105 99 C815 P330 S36054 FDP				36.35
CERTIFICATE OF OFFICE CHARGED				
I CERTIFY THAT THE ABOVE ARTICLES WERE RECEIVED AND ACCEPTED OR THE SERVICE PERFORMED AS STATED AND SHOULD BE CHARGED TO THE APPROPRIATION(S) AND/OR FUND(S) AS INDICATED BELOW; OR THAT THE ADVANCE PAYMENT REQUESTED IS APPROVED AND SHOULD BE PAID AS INDICATED.				
(AUTHORIZED ADMINISTRATIVE OR CERTIFYING OFFICER)				
(DATE)				
(TITLE)				
ACCOUNTING CLASSIFICATION - OFFICE CHARGED				
PAID BY CHECK NO.				

Figure 2-2. Sample SF 1080-EDP

GSA FORM 789

GENERAL SERVICES ADMINISTRATION  
STATEMENT, VOUCHER AND SCHEDULE OF WITHDRAWALS AND CREDITS

CHARGE AND CREDIT WILL BE REPORTED ON CUSTOMER AGENCY  
STATEMENT OF TRANSACTIONS FOR ACCOUNTING PERIOD ENDING

BILLING DATE  
08/31/86

CUSTOMER AGENCY

CUSTOMER AGENCY VOUCHER NO.  
AGENCY LOCATION CODE (ALC)  
BILLED OFFICE CODE H26J1R AGENCY BUREAU 2100

DEPARTMENT# USAQTEA  
ADDRESS # ROOM 408  
5600 COLUMBIA PIKE  
FALLS CHURCH VA 22041

BILLING AGENCY

BILLING AGENCY VOUCHER NO. E0615924  
AGENCY LOCATION CODE 47-00-0016

DEPARTMENT# GENERAL SERVICES ADMINISTRATION  
ADDRESS # REGION 6 RECEIVABLE  
P.O. BOX 73221  
CHICAGO, IL. 60673

APPROPRIATION OR FUND	SUMMARY	AMOUNT	APPROPRIATION OR FUND	SUMMARY	AMOUNT
			47F3875.6	255X	42.00
	TOTAL			TOTAL	42.00

DETAILS OF CHARGES OR REFERENCE TO ATTACHED SUPPORTING DOCUMENTS

SEE ATTACHED GSA FORM  
SINGLE LINE ITEM BILLING REGISTER, F. SUPPLIES PURCHASES

PAYING OFFICE CONTACT#  
PROCESSED BY TELEPHONE NO.

BILLING AGENCY CONTACT# PREPARED BY ACCOUNTS  
RECEIVABLE BRANCH TELEPHONE NO. 816-926-7037

CERTIFICATION OF CUSTOMER OFFICE

I CERTIFY THAT THE ITEMS LISTED HEREIN ARE CORRECT AND PROPER FOR PAYMENT FROM AND TO THE  
APPROPRIATION(S) DESIGNATED.

DATE TELEPHONE NO. AUTHORIZED ADMINISTRATIVE OR CERTIFYING OFFICER

\*\*\*\*\*  
END OF BILL NUMBER E0615924 DATED 08/31/86  
\*\*\*\*\*

Figure 2-3. Sample GSA Form 789

4. Billing offices for stock funds will grant credit for DoD aircraft defueling based on supply defueling slips at stock fund prices.

5. Credits will be given for contractor into-plane defueling of DoD aircraft based on a defueling slip at the standard price given for each defueling.

6. Into-plane fuel billings will be in the DI Code FP\_ format.

7. Bills for into-plane issues of aviation gasoline, or for aircraft defuelings, which are not identifiable to a Service activity will be mailed, along with legible copies of the supporting DD Form 1898, AV Fuels Into-Plane Sales Slip, to the applicable control point identified below:

a. Army (all Army Service/Agency codes):

Commander  
U.S. Army Finance and Accounting Center  
ATTN: FINCO-C  
Indianapolis, IN 46249-0001

b. Navy and Marine Corps

(1) For bill-to Service/Agency Code R:

Commanding Officer  
Fleet Accounting and Disbursing Center  
U.S. Pacific Fleet  
937 North Harbor Drive  
San Diego, CA 92101-5801

(2) For bill-to Service/Agency Code V:

Commanding Officer  
Fleet Accounting and Disbursing Center,  
U.S. Atlantic Fleet  
Bldg. 132, Naval Station  
Norfolk, VA 23593-5000

(3) For other Navy or Marine bill-to Service/Agency

codes:

Commander  
Navy Accounting and Finance Center  
Code NAFC-521  
Washington, DC 20376-5001

c. Air Force (all Air Force Service/Agency codes):

AFAFC/TCRC  
denver, CO 80279-5000

#### F. AUTOMOTIVE VEHICLES

GSA is authorized to use the interfund billing system to bill DoD activities for automotive vehicles purchased under a category one (reimbursable) MIPR. DoD activities submitting MIPRs must do so in accordance with paragraph 8.7008 of the DoD Supplement to the Federal Acquisition Regulation (reference (k)) which requires activities to provide MILSTRIP requisition data for each line item which is to be delivered to each ship-to address. For purposes of identifying and validating charges, GSA will support interfund billings for automotive vehicles with a GSA Format 952, Single Line Item Billing Register. The format (figure 2-4) will show, in addition to the information shown on the billing record, the last five digits of the MIPR number under the columns headed "DIST CD PROJ CD."

#### G. OPTIONAL BILLING PROCEDURE FOR FRESH FRUITS AND VEGETABLES

1. DoD Components and participating Agencies may elect to have DLA's Defense Personnel Support Center summarize billings for FF&V. The option is available on a DoD Component or Agency wide basis only. Currently, only the Air Force has elected this billing option.

2. Under the optional FF&V billing procedure, DLA will summarize onto a single billing line all FF&V issues to a Service or Agency. The billings will be summarized by requisition month and fiscal year. These summarized billings will be prepared in the DI Code FV1 or FV2 format and will be forwarded to a predesignated central office in that Service or Agency. DLA will provide microfiche copies of the supporting detail billing records when requested.

#### H. BILLING FOR ACCESSORIAL AND ADMINISTRATIVE COSTS

##### 1. Method of Billing

a. Accessorial and administrative costs may be billed via interfund or noninterfund. However, to the extent practicable, billing will be accomplished in the same manner as the materiel.

b. When billed via interfund, accessorial and administrative costs billings will follow the procedures and formats prescribed for the charge.

2. DoD Shipments. DoD Instruction 7510.4, (reference (1)) provides the DoD policy for billing accessorial and administrative costs.

3. GSA Shipments. GSA will assess accessorial and administrative costs on shipments to DoD as indicated in this section.

GSA FPMR 952		GENERAL SERVICES ADMINISTRATION REGIONAL OFFICE OF ADMINISTRATION		BILLED OFFICE ADDRESS CODE: ME1287 AGENCY/BUREAU: 9700		BILL NO: 01955 DATE: 11/18/84 PAGE NO: 1	
DODDS GERMANY SOC ACCOUNTING AND FINANCE OFFICE OFFENSE GENERAL SUPPLY CENTER RICHMOND VA 23297		SINGLE LINE ITEM BILLING REGISTER				NEW YORK, N.Y.	

DOC	RTG	C	STOCK	DR	PART	UN	SUPPL	SIG	FND	M	ADJ	BILL	DEL	EXTENDED	VAL	UNIT	SELL	DIST	PRO	STR	GSA	DOC
ID	ID	C	NUMBER	ISS	QUANT	DOCUMENT	NUMBER/SUF	ADDR	CD	CD	S	ALL	NO	DTE		PRICE	CD	CD	SCM	NUMBER		
DIRECT DELIVERY - AUTOMATED - NON-STORES																						
FC1	GNO		7530-01-078-1945	BX	40	ME1287 4192	0002	ME2477	J	XP				QY955	206	184.40		4.61				EM26861N
FC1	GNO		7530-01-078-1945	BX	6	ME1287 4228	0001	ME4436	J	XP				QY955	241	27.66		4.61				EM91711N
FM1	GNO		EXP SURCHG ORX X		212.06	ME1287				XP				QY955		16.96						
FS1			TOTAL FUND CODE XP							XP				QY955		330.02					3 LINE ITEMS	
TOTAL BILLING														330.02		**						

Figure 2-4. Sample GSA Format 952

a. Transportation

(1) Except as outlined in paragraph (2) below, GSA will pay transportation charges on stock items to:

(a) Consignees in the CONUS, and, where scheduled, surface commercial transportation services are available in Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, the southeast peninsula of Alaska, central Alaska (rail belt), and Kodiak Island.

(b) A U.S. port of embarkation for overseas destinations not included in (1) above.

(2) GSA will not pay transportation charges for shipments of Special Order Program (nonstock) items. GSA will, however, prepay and bill the agency, as a separate item, for:

(a) Transportation charges to a CONUS destination or a U.S. Port of Embarkation on items purchased F.O.B. origin; and

(b) Transportation charges from a CONUS destination or a U.S. Port of Embarkation to consignees in Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, the Southeast Peninsula of Alaska, Central Alaska (rail belt), and Kodiak Island.

b. Export Services

(1) A surcharge will be assessed at the rate of six percent of the value of the material ordered and shipped to customers overseas from GSA wholesale distribution centers and vendors.

(2) The export services performed on shipments for customers overseas may vary by customer location, commodity, mode of shipment, and other criteria and include: monitoring and expediting delivery to meet required delivery date; overpacking and documenting dangerous/hazardous shipments; challenging air eligible shipments; unitizing, consolidating, and palletizing cargo, arranging for seawans to source load cargo and document shipments for delivery to ports of embarkation; among others.

(3) Annually, GSA will review actual costs to perform export services and, as appropriate, propose changes in the above rate for use throughout each fiscal year. The ASD(C) will be advised sufficiently in advance for appropriate program and budget planning.

(4) The surcharge for export services will not always be assigned the same bill number as the related material.

c. Fund Code Charged. GSA billings for accessorial costs incurred for supply items requisitioned by DoD activities will reflect the following fund codes (t denotes the FY within decade of the billing date):



<u>DoD Components</u>	<u>Assign Fund Code</u>
Army	†1 when the fund code in the related materiel billing designates account 21X4991 or 97X8242 ; otherwise, perpetuate the fund code from the materiel billing.
Navy	"XT".
Others	cited on the requisition.

## I. BILLING FOR PROGRESS AND ADVANCE PAYMENTS

### 1. Progress Billings

a. Progress payments may be billed via interfund whenever the order received from the customer specifies that progress billings via interfund are authorized. Interfund billings for progress payments will use DI Code FU1/2. Documentation of the agreement by the customer to allow progress billing via interfund may be used in lieu of a specific provision on each order.

b. Billings made for progress payments will be based upon documentary evidence of satisfactory performance and will not exceed the amount of the customer order.

c. The billing office will offset bills for deliveries against all outstanding progress billings related to those deliveries. Billing records will be reported for both the full value of the shipment (i.e., DI Code FA1) and the amount of the progress billing being liquidated. The billing method elected for the progress payment will also be the method used to bill for the delivery.

d. Although multiple progress bills may have been submitted against an order, a single recoupment billing record may be reported for the total amount of the progress billings.

### 2. Advance Billings

a. Advance billings may not be billed via interfund. When authorized, advance funding will be satisfied via noninterfund and by the use of appropriation level, rather than project or order level, advances.

b. Advances received must be returned or applied to accounts receivable before the end of the fiscal year.

## J. CORRECTION OF ERRONEOUS BILLINGS

1. Billing Forwarded to Customer. When a billing office finds it has issued a bill containing one or more billing lines requiring correction in some way, it will reverse the erroneous charges or

credits - and only such charges or credits - irrespective of dollar amount and include corrected charges or credits in a subsequent bill. The corrections will be processed as soon as it is practical and will not await customer requests for adjustments.

2. Billing Not Forwarded to Customer. When a billing office has determined, or has been informed, that an interfund bill was rejected by DAASO and not forwarded to the billed office under other distribution procedures, and the billing was reported to a particular Service or Agency Central Accounts Office (CAO) and charged to that Service's funds, the billing office will process a reversal of the erroneous billing transmitted to the CAO. The reversal billing Summary Billing Record (SBR) will reflect the exact same information as the original billing and will not include any additional charges or credits. In all cases, the third position of the reversal SBR will be a "2" if the original billing contained a "1", and vice versa. Further, an information indicator code of "R" will be inserted in record position 39 to indicate that this is a reversal. Corrections will be processed as soon as practical (i.e., next interfund report) and will not await customer requests for adjustments.

#### K. CANCELLATIONS

When an ICP determines that a requisition (and related shipments) has been cancelled, any billings which were generated for that requisition will be reversed in the first available billing cycle. When the cancellation involves diverting materiel back to stock, the billing will be reversed upon receipt of the materiel. Any charges related to the cancellation, such as contract termination costs, will be billed by noninterfund procedures.

#### L. RETENTION OF BILLING RECORDS

1. Records supporting MAP or FMS billings will be maintained for two years and others for one year after the billing month.
2. Adjustment processing activities will retain the necessary records for whatever time period required to enable them to process adjustments when the request or discrepancy report leading to the adjustment is received within allowable timeframes.

#### M. ROUTING AND RETENTION OF INTERFUND BILLS BY THE DAASO

1. All sellers must forward their interfund bills to DAASO for routing to the billed office.

2. Interfund billings to be routed by DAASO must be transmitted to DAASO with a Content Indicator Code of "IFBB." The DAASO "Route to" COMM RI code must be "RUEOZZA." Billing offices will not forward copies of bills to DAASO for routing if the office to receive the copy differs from the actual billed office.

3. An interfund bill message may consist of a summary billing record (DI Code FS\_) and one or more detail billing records but shall not contain more than 495 records (DI Codes FS\_, FL\_, FA\_, etc.) on the message. With the header and trailer records, messages will consist of no more than 497 records.

4. DAASO will edit each interfund bill to ensure that:

a. The record count shown in pos. 5-7 of the summary billing record equals the actual count of the supporting billing records.

b. The bill-to address shown in pos. 30-35 of the summary billing record is a valid DoDAAC.

c. The amount shown in pos. 65-73 of the summary billing record equals the sum of the amounts shown in pos. 65-73 of the supporting billing records.

5. DAASO will reject interfund bills which fail any of the edits. Rejected interfund bills will be returned to the originating communications center with a narrative description indicating the reason for rejection. Billing offices must correct the rejected bills and resubmit them to DAASO. If the billing was included on the billing office's interfund report and the billing will not be forwarded to the billed office, the erroneous billing must be corrected (see section J).

6. Upon successful completion of the edits, DAASO will route interfund bills by an appropriate means (AUTODIN, mail, message, etc.) to the billed office. A narrative header record "For Accounting and Finance Officer" will be included with each interfund bill.

7. The DAASO will retain in their files, non-FMS interfund bills routed by them for one year and FMS interfund bills for two years. Chapter 4 prescribes procedures for obtaining copies from DAASO.

#### N. DAAS EDIT OF OTHER DoD COMPONENT FUND CODES

1. The DAAS will edit Service Code "H" requisitions from other DoD Components to ensure that interfund procedures are appropriate. Other DoD Component requisitions for which interfund billing is appropriate are those in which the requisitioning DoDAAC is listed in appendix D of the Fund Code Supplement (reference (b)). The DAASO will ensure, by changing if necessary, that the fund code cited on other DoD Components requisitions processed through the DAASO is "XP" when the requisitioning DoDAAC is not listed in the appendix.

2. Other DoD Components may add (allow for interfund billing when the fund code cited on the requisition is not "XP") or delete a listed DoDAAC (ensure noninterfund billing) by forwarding a letter or message to the DAASO (see chapter 1, section F for the address).

## CHAPTER 3

### PROCESSING AND PAYMENT OF BILLS

#### A. PAYMENT OF NONINTERFUND BILLS

1. Bills are due upon receipt and shall be paid in full and promptly; that is, within 30 calendar days of the bill date. The following exceptions apply:

a. Bills for issues to NATO (SHAPE) (identified by billed office DoDAAC WM1Q7K) are due 120 calendar days after the billed date.

b. Bills for issues to UN Peacekeeping Forces (identified by billed office DoDAAC WN7GX8) are due 120 calendar days after the billed date.

2. When both the appropriations to be reimbursed and disbursed are within the DoD, bills may be paid either by check or through cross disbursing (no check) procedures. Payments involving appropriations outside the DoD will be by check.

3. All payments will include either:

- a. the identification (bill or statement no.) of the bill, or
- b. a copy of the bill.

#### B. PROCESSING INTERFUND BILLS

Interfund bills are notices of disbursement of billed office funds by the billing office. Accordingly, billed offices will take prompt action to suspend, correct, or accept the disbursement. These actions will be accomplished as prescribed in the appropriate Service or Agency interfund reporting and clearance procedure.

#### C. ADJUSTMENTS

1. Billed offices will review all charges to ensure that items billed were ordered and that obligations are adjusted when appropriate. All requests for adjustments of billings will be prepared in accordance with chapter 4.

2. Billing or other discrepancies that do not meet the criteria for requesting adjustment, described in chapter 4, shall be recorded as obligations, funds disbursed, and expenses.

CHAPTER 4  
ADJUSTMENT PROCEDURES

A. REQUESTING ADJUSTMENTS

1. Submission

a. All requests for adjustments will be forwarded to the billing office with the following exceptions:

(1) Requests for copies of interfund bills will be forwarded to the DAASO if the DAASO record retention period has not expired. See section G for additional information.

(2) Requests for adjustments of GSA billings, other than subparagraph (1) above, will be forwarded to the GSA central processing office (RI Code "GSA"). For adjustment purposes, this office is considered a "billing office". All requests for adjustments are to be forwarded via AUTODIN. Correspondence, if necessary, should be mailed to:

GSA Discrepancy Reports Center (6FRB)  
1500 East Bannister Road  
Kansas City, Missouri 64131-3087

b. All requests for adjustments, including those related to FMS and reported to ILCOs under FMS ROD procedures (references (n) and (o)) will be forwarded to the billing office in the format prescribed for the billing advice code appropriate to the request. The formats are prescribed in the C series appendices.

c. All requests for adjustments will be submitted within 30 calendar days of billing. Exceptions to this requirement, where appropriate, are noted in other sections of this chapter. Initial requests for adjustment received after the record retention period for billing records will be denied.

d. Where AUTODIN capability exists, all requests for adjustments will be forwarded to DAASO via AUTODIN for further routing to the billing office.

2. Minimum Value.

a. No request for adjustment will be submitted for non-FMS billing errors if the amount of the adjustment is:

(1) Less than \$100 and the billing office is GSA.

(2) Less than \$100 and the billing is for a subsistence item.

(3) Less than \$250 and subparagraphs (1)-(2) do not apply.

b. There is no minimum value for:

(1) Requesting a corrected bill when the bill received is incomplete (BAC "19"),

(2) Requesting status of required billing (BAC "34"),

(3) Requesting a copy of a bill (BAC "41"),

(4) Requesting noninterfund billing when the billing cannot be processed under interfund procedures (BAC "51").

(5) Requesting adjustments of FMS billing errors. However, the ILCOs or others may not submit FMS adjustment requests when the request can be rejected per the general conditions of the DD Form 1513, U.S. Department of Defense Offer and Acceptance.

#### B. CANCELLING OR AMENDING REQUESTS FOR ADJUSTMENT

1. Submitting offices will cancel requests for adjustments whenever the request is invalid or inappropriate and the billing office has not responded to the request.

2. If the billing office has responded to an invalid or inappropriate request with a billing status code in the "A," "D," or "E" series no further action is required. Submitting offices will forward a cancellation request (DI Code FAC, FDC, or FJC) to the billing office if a billing office response ("C" series BSC), considering the advice code forwarded, indicates that an adjustment is in process.

3. Requests for adjustments may be amended by cancelling the original request and submitting a new request.

#### C. FOLLOWUP ON UNANSWERED REQUESTS FOR ADJUSTMENT OR MRP CREDIT

1. Additional followup to DAASO for copies of interfund bills, if needed, will be by letter, message, or telephone (AV 986-6395). Followup to DAASO may begin seven calendar days after the request is submitted.

2. Except for followups described in paragraph 1, offices submitting adjustment requests will follow up on requests for adjustments remaining unanswered for more than 45 calendar days after submission. The followup will be forwarded in the same manner as the initial request and in the DI Code FAF, FDF, or FJF format appropriate for the advice code. If the request for adjustment remains unanswered for more than 30 calendar days after followup,

submitting offices will forward a second and final followup by letter or message to the billing office. In addition to providing the billing office with the information required to process the request, the final followup will also identify the dates of initial and followup request.

3. Offices designated to receive MRP credit will follow up on the credit when the credit has not been received and more than 60 calendar days have elapsed since the materiel receipt status (DI Code FTZ), citing a credit status, is received. Followup (the initial request) will be in the DI Code FTP record format. A second DI Code FTP record will be submitted if a reply or credit is not received within 60 calendar days of the initial request.

4. Follow the procedures prescribed for noncompliance (see chapter 1) when:

a. Requests for adjustments or MRP credits remain unanswered for more than 30 calendar days after the second followup;

b. No interim response is received within 30 calendar days; and,

c. If an interim response was received, the date promised has passed.

D. PROCESSING ADJUSTMENTS AND REQUESTS FOR ADJUSTMENT OR MRP CREDIT

1. Adjustments, when warranted, will be at the price originally billed.

2. Billing offices will respond to all requests for adjustment within 30 calendar days of the date the request is submitted, via AUTODIN in the DI Code FAR, FDR, or FJR format.

3. Billing offices will respond to all first followup requests for adjustment within 21 calendar days of the date the request is submitted and respond, via AUTODIN, in the DI Code FAS, FDS, or FJS format.

4. Billing offices will respond to second followup requests for adjustments and MRP credit by letter or message within 14 calendar days of receipt. If the request cannot be answered within the 14 days, the billing office will send an interim response by letter or message. The interim response will indicate the date, not to exceed 30 calendar days, a response will be forwarded by letter or message.

5. All responses to adjustment requests will be forwarded to the office designated by the recipient of billing status code. Adjustments will be forwarded to the office originally billed.

6. Billing offices will respond to initial requests and first followup for MRP credit in the DI Code FTB format. Responses will be

forwarded, via AUTODIN, to the office designated by the materiel receipt status (DI Code FTZ).

#### E. INCOMPLETE BILL PROCEDURES

1. An incomplete bill is one in which the bill, either interfund (DI Code FS record) or noninterfund (SF 1080 or equivalent), is not fully supported by detail billing records or information, respectively.

2. Since the DAASO will not pass incomplete interfund bills to billed offices, a copy of the "incomplete" interfund bill will first be requested from the DAASO. If DAASO is unable to provide the copy, a request citing BAC "19" will be forwarded to the billing office.

3. In addition to responding to the request, whenever the bill referred to is on file, billing offices will always provide a fully supported copy or corrected bill to the billed office.

#### F. BILLING STATUS PROCEDURES

1. When requisitioned materiel is received, intended billed offices must seek the status of the billing by forwarding a request for adjustment citing billing advice code "34". This is consistent with the concepts underlying DoD accounting theory and practice as prescribed in chapter 11 of the DoD Accounting Manual (reference (i)). Except as provided in paragraph 2, if materiel was not requisitioned, or if requisitioned materiel was not received, discrepancy report procedures rather than MILSBILLS procedures apply. Contact the local supply or requisitioning office for appropriate procedures.

2. When shipment status is received for requisitioned materiel and the materiel can be billed only upon evidence of constructive delivery, intended billed offices should seek the status of the billing by forwarding a request for adjustment citing billing advice code "35." Billing offices will generate the appropriate billing when properly completed requests are received and billing is awaiting evidence of constructive delivery. Billing offices will also initiate appropriate actions with their supply office to identify and resolve problems associated with this condition.

3. At least 60 calendar days must have elapsed after receiving the materiel or, in the case of FMS shipments, shipment status before requesting the status of the bill. However, the status must be requested within a year of the date of shipment (two years for FMS shipments). Billing offices will deny requests for status which are not submitted within these timeframes.

4. When the request for billing status involves fuels and is forwarded to the DFSC (RI Code S9F), the request will be mailed and will identify the supply source. If the supply source is a DFSP, provide the DoDAAC of the DFSP. If the supply source is a contractor, including contractor into-plane, provide the contract number.



5. Except for billings awaiting evidence of shipment or receipt, billing offices will not generate bills based solely upon a request for billing status.

6. DoD policy (chapter 41 of reference (i)) has allowances for writing off unbilled liabilities and deobligating the related obligation when an invoice has not been received within 180 days from the date of acceptable final performance and there is documentation on file that at least two written requests for an invoice have been made. Refer to the reference for other conditions which must be met, such as establishing a reserve for late bills.

#### G. BILL COPY PROCEDURES

1. Requests for copies of interfund bills will be forwarded to the DAASO if the DAASO record retention period has not expired. The request will be forwarded, via AUTODIN, in the DI Code QB1 format, by mail or message using CIC "IFBB." When forwarded via AUTODIN, the record will be sent to COMM RI "RUEOZZA"; when mailed, it will be addressed to:

Defense Automatic Addressing System Office  
ATTN: DAAS-VL  
Gentile Air Force Station  
Dayton, OH 45444-5320

The DAASO will accept telephone requests (Autovon 986-6395) for copies. Telephone requests will be limited to no more than five bills.

2. DAASO will retransmit a copy of all interfund bills wherein the billing office DoDAAC, bill number, and year within decade and month of credit match the same information on the request.

3. DAASO will send a service message to the originator when DAASO is unable to retransmit a requested bill.

4. If the DAASO responds that it has no record of the bill, the originator will review the request for correctness. If the request (DI Code QB1) is found to have been incorrect, the originator will forward a corrected request to the DAASO. Otherwise, the originator will forward a request, in the DI Code FAE or FJE format prescribed for BAC "41," to the billing office.

5. Requests for copies of noninterfund bills will always be forwarded to the billing office, via AUTODIN when available, in the DI Code FAE or FJE format prescribed for BAC "41."

6. Billing offices failing to respond to requests for copies of interfund bills, when such requests are received within the record retention period, will be directed by their Service or Agency headquarters to reverse the billing. Billed offices will absorb all charges, in the manner prescribed by their Service or Agency, when

the record retention period has elapsed and they have failed to obtain copies of bills.

7. Billing offices are not required to provide detail billing records using EAM cards to DoD Components in support of a noninterfund billing or in response to a request for a copy of an interfund bill.

#### H. REQUEST REBILLING UNDER NONINTERFUND PROCEDURES

1. When a billed office is unable to process a billing record under interfund procedures, the billed office may have the item or items billed under noninterfund procedures by forwarding a request for billing adjustment citing BAC "51."

2. Use of this billing advice code is an admission by the billed office that the requisition was incorrectly coded. Refer to the section on billing errors if the requisition was improperly billed under interfund procedures.

3. Requests citing BAC "51" may be submitted only when the funds involved may not be disbursed under interfund procedures. All such requests, submitted in accordance with procedures prescribed in this chapter, will be honored by the billing office.

#### I. ADJUSTMENTS FOR DISCREPANCY REPORTS

1. Discrepancy reports will be submitted, reviewed, processed, validated, and responded to in accordance with procedures prescribed for the discrepancy:

Transportation Discrepancies (reference (p))  
Item and Packaging Discrepancies (reference (q))  
Discrepancy Reports Against FMS Shipments (reference (o))  
Quality Deficiencies Across Component Lines (reference (r))

2. Financial adjustments related to discrepancy reports will be processed in accordance with this manual.

3. Billing offices will process financial adjustments when the discrepancy report is validated and all of the following MILSBILLS or GSA criteria are met:

a. The discrepancy was not resolved otherwise; e.g., the vendor does not replace deficient materiel for a validated QDR.

| b. The materiel was billed and paid previously.

c. The materiel is received by the depot in those cases where the discrepancy report reply requires the return.

| d. The TDR exceeds \$25 per line (DBR) or the ROD exceeds \$50  
| per line (DBR) for discrepancies involving GSA shipments. There is

no minimum adjustment level on PQDRs. This policy applies only to GSA directed shipments. There are no dollar value limitations for discrepancies involving DoD shipments.

e. The discrepancy report for a GSA shipment is received by GSA, except when extenuating circumstances or high dollar value warrants special consideration, within the following timeframes:

(1) Within one year of the date of shipment for quality deficiencies (QDRs) except:

(a) For items under warranty which must be received within the time limits prescribed in the individual warranty.

(b) For shelf-life items which must be received prior to the expiration of the shelf-life period and within one year of the date of shipment.

(2) Within 180 calendar days of the date of shipment for other than quality deficiencies except for:

(a) Shipments to MAP consignees, which must be received within 18 months of the date of shipment; and

(b) Shipments to consignees located in the CONUS, Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, the southeast peninsula of Alaska, central Alaska (rail belt), and Kodiak Island, which must be received within 120 days of the date of shipment.

4. When a reply to a discrepancy report improperly commits the billing office to providing an adjustment; e.g., shipment was never billed, the billing office will ask the replying office to correct the reply to the discrepancy report.

5. Requests for adjustments related to TDRs (BAC "21") will not be submitted unless the adjustment is not received and more than 60 calendar days have elapsed since the report was filed.

6. Requests related to PQDRs (BAC "24") and RODs (BAC "26") will not be submitted until a minimum of 60 calendar days have elapsed since receiving notification that the discrepancy is validated; that is, that an adjustment is approved. When the adjustment is contingent upon the return of materiel, the request will not be submitted until a minimum of 60 calendar days have elapsed since shipping the materiel.

#### J. ADJUSTMENTS FOR BILLING ERRORS

1. The following adjustments are considered billing errors and will not be accepted for processing if the minimum value criterion

for requesting adjustments is not met:

- Duplicates
- Wrong amount billed
- Wrong office billed
- Improper bill
- Promised adjustment not received
- Other problems

2. Duplicates

a. Duplicate detail billing record

(1) A second or subsequent detail billing record for a single shipment or adjustment. If the second or subsequent billing resulted from a second or subsequent shipment, MILSBILLS adjustment procedures do not apply. See instead discrepancy report procedures for duplicate shipments (references (o) and (q)).

(2) To obtain adjustment for duplicate detail billing records not previously adjusted by the billing office, submit a separate request (DI Code FAE or FJE) for each duplicated billing record in the format prescribed for BAC "11." Follow subparagraph b if all of the DBRs on the bill are duplicates of previous billings.

b. Duplicate bill

(1) A bill, either interfund or noninterfund (SF 1080 or equivalent), wherein the bill is supported entirely by duplicate detail billing records. In the case of interfund bills, the bill is also included on the billing office's interfund report.

(2) Adjustments for duplicate bills may be requested only upon confirmation that the bills (original and duplicate) were, in fact, reported to the buying service's CAO. To obtain an adjustment, submit a request (DI Code FDE) for each duplicated bill in the format prescribed for:

(a) BAC "42" when the bill is identical, including the bill number, to a previous bill.

(b) BAC "43" when, except for the bill number, the bill is identical to a previous bill.

(c) BAC "44" when all of the supporting detail billing records of one bill are included on another bill. The bill containing such DBRs, all of which are included on another bill, is considered the duplicate bill. The bill numbers may or may not be the same.

### 3. Wrong Amount Billed

a. A wrong amount billed refers to a detail billing record in which the unit price, quantity, or price extension is erroneous. The error may be in either direction and will be reported in the DI Code FAE or FJE format prescribed for BAC "12."

b. Do not request adjustment for wrong amount if:

(1) The unit price is the standard or catalog price and you are questioning the price. Follow price challenge procedures described in section 0 instead.

(2) The extension does not agree with the amount billed and Sales Price Condition Code "B" is indicated. In this case, the unit price shown on the billing record is the inventory carrying value, the standard unit price. The billing unit price, if needed, must be computed.

(3) The quantity billed equals the quantity ordered or shipped and a lesser quantity is received. Follow the appropriate discrepancy reporting procedure instead.

### 4. Wrong Office Billed

a. Request an adjustment for wrong office billed when the office billed does not agree with the coded requirements of the requisition and the coding indicates a valid billed office DoDAAC; that is, one listed in the DoDAAD (reference (e)), or when the billed office for adjustments differ from the office originally billed.

b. If the coded information on the billing record used to derive the billed office differs from the same information provided on the requisition, the request must be sent by letter or message and include this point as well as the information prescribed for requests citing BAC "13." If the billing was prepared in accordance with the requisition or modification received by the ICP or IMM, the request will be denied.

c. If the coded information used to derive the billing office does not provide for a valid DoDAAC and the billing office assigned the billed office as prescribed in chapter 2, adjustment will be denied.

d. When the billing office assigned the billed office as prescribed in chapter 2 and the office assigned is not the intended office, the billed office will transfer or otherwise process the bill in accordance with procedures prescribed by the Service or Agency. If the offices involved are not part of the same Service or Agency, the billed office will contact the intended billed office or requisitioner and make arrangements for transferring the bill. When satisfactory arrangements for transferring the bill cannot be

made, the billed office will follow procedures in chapter 1 for unresolved problems.

#### 5. Improper Billing

a. Definition. For purposes of this section, an improper billing is one wherein a detailed billing record is received:

- (1) Charging for materiel requisitioned under nonreimbursable procedures;
- (2) Charging improperly for accessorial costs;
- (3) Billing for materiel when the materiel is not received and cancellation of the requisition by the ICP or IMM was confirmed;
- (4) Billing for materiel when the materiel is not received and the ICP or IMM advised that the materiel was backordered;
- (5) Following billing office reply that a billing could not be rendered; and
- (6) Under interfund procedures when the coding of the requisition or excess report, in conjunction with MILSBILLS procedures, require billing under noninterfund procedures.

b. Nonreimbursable. Forward a request for adjustment in the format prescribed for BAC "14" when the coding of the requisition indicates that the materiel was requisitioned under nonreimbursable procedures and a billing was received.

c. Accessorial. A request for adjustment in the format prescribed for BAC "15" will be forwarded whenever accessorial costs are charged and the charges are not in accordance with chapter 2. Requests for adjustments of below-the-line accessorial charges on FMS billings prepared by the SAAC will be processed in accordance with procedures prescribed in the FMS Financial Manual (reference (n)).

d. Cancelled. When a billing for materiel is received on a requisition which was confirmed cancelled by the ICP or IMM and the materiel is not received, a request for adjustment in the format prescribed for BAC "17" will be forwarded to the billing office. When the materiel was received or if the requisition was not confirmed cancelled by the ICP or IMM, MILSBILLS procedures do not apply. Follow instead procedures prescribed for reporting RODs. Although annotations on a shipping document, in conjunction with other factors, may support a discrepancy report, they do not support an adjustment for improper billing. A validated discrepancy report is needed.

e. Backordered. A request for adjustment in the format prescribed for BAC "18" will be forwarded to the billing office whenever a billing is received on a requisition which was backordered and the ICP or IMM has provided MILSTRIP (reference (s)) status, after receipt of the billing, confirming that the materiel is still backordered. Do not submit requests citing BAC "18" prior to obtaining this status.

f. Billing cannot be rendered. Billed offices will request adjustments in the format prescribed for BAC "20" whenever the billing office issues a bill after advising, in a response to a request for billing status (BSCs DC and DF), that a bill could not be rendered.

g. Improper interfund. Whenever billing offices bill under interfund procedures and MILSBILLS procedures do not prescribe billing under interfund procedures, billed offices will forward requests for adjustment in the format prescribed for BAC "52". When MILSBILLS procedures prescribed billing under interfund procedures, billing offices will deny these requests. If the requisition or excess report was coded incorrectly and the interfund billing cannot be processed, refer to procedures for requesting rebilling under non-interfund procedures.

6. Promised Adjustment Not Received. A request for adjustment citing BAC "23" will be prepared when a billing or adjustment is not received and more than 30 calendar days have elapsed since receiving a reply (DI Code FAR or FJR) to a request for adjustment promising the billing or adjustment. If the adjustment promised relates to a discrepancy report, refer to the section on adjustments for discrepancy reports.

7. Other Billing Problems. Billed offices or others will request adjustments for problems not covered by this section or sections E, F, H, or J by forwarding a letter (or message) of explanation along with the information prescribed for BAC "55". Billing offices will respond, via AUTODIN, in the DI Code FAR or FJR format. If required, or deemed appropriate, the billing office will also respond by letter or message.

#### K. ADJUSTMENTS FOR CHANGE NOTICES

1. If an order is placed with or through a stock fund, an undelivered order (obligation) should be recorded when the order is placed. A non-stock numbered item should be recorded as an undelivered order when the order is accepted. An adjustment to the undelivered order should be processed when a change notice affecting price, quantity, or an acceptable substitution of a like item is received from the stock fund. Refer to chapter 25 of DoD 7220.9-M (reference (i)) for more specific information on the above requirements.

2. If a stock fund customer does not receive a change notice or does not receive it in time to cancel or modify the order and additional funds are required, the materiel may be refused or returned to the stock fund and an adjustment requested. Adjustments for this reason will be forwarded by mail and must be signed by the activity accounting officer. The request will state essentially:

"As a result of a price change, quantity change, or authorized substitution, the value of the materiel received exceeds amounts obligated and all available obligation authority. Request credit for the indicated quantity and items delivered under the following requisition document and suffix number. In addition, provide us with the return instructions for the materiel."

3. The billing office will honor all such requests and provide adjustment, without regard to dollar value, after the materiel is returned. The billing office will also contact the item manager (requisition processing office) to arrange for the return.

#### L. ADJUSTMENTS FOR FMS DISCREPANCIES AND BILLING ERRORS

The Military Departments may automatically grant adjustments<sup>1</sup> and charge or credit the administrative surcharge fund when:

a. The request cannot be rejected per the general conditions<sup>2</sup> of the DD Form 1513, U.S. Department of Defense Offer and Acceptance, and

b. The transaction was billed on a DD Form 645, Foreign Military Sales Transactions, and

c. The amount of the adjustment requested is either (1) less than \$100 or (2) less than the amount approved for that Military Department by the DSAA.<sup>3</sup>

<sup>1</sup>Automatic adjustments may be withheld from specific customers if there is a pattern of abuse of this authority. When such a pattern exists, all discrepancies and billing errors from that customer should be researched.

<sup>2</sup>Pre-March 1, 1979, DD Forms 1513 authorized submission of discrepancy reports for overages, shortages (including non-receipt), and damages when amounts exceed \$25 for a line item. Effective March 1, 1979, the DD Form 1513 increased the \$25 threshold to \$100.

<sup>3</sup>Military Departments may request approval for a different adjustment level. The dollar amounts of automatic adjustments will be determined by an agency cost effectiveness study which compares the administrative cost of conducting necessary research to determine specific responsibility versus the cost which will be incurred by the administrative surcharge pool if an automatic refund is authorized. The agency cost effectiveness study must be submitted to DSAA for review and approval.



M. CREDITS FOR EXCESS REPORTS (MATERIEL RETURNS PROGRAM)

1. Materiel returns program (MRP) procedures are prescribed by MILSTRIP (reference (s)).

2. Billing offices will process credits for excess reports during the first billing cycle after receiving notification that materiel, authorized for return under creditable procedures, has been received in a condition warranting credit. The credit will be processed in the DI Code FD1/2 format.

3. MRP credits will be processed at the standard price in effect at the time of receipt or at a reduced price if, in the opinion of the IMM, the condition warrants such reduction.

N. DISPUTED RESPONSES TO REQUESTS FOR ADJUSTMENT

Billing and billed offices are expected to resolve their differences regarding adjustment requests. However, when a billed office does not agree with a billing office's response and the billed office considers the amounts involved significant, the billed office may consider the dispute an unresolved problem and follow the procedures prescribed in chapter 1.

O. PRICE CHALLENGES  
(Under development)

## CHAPTER 5

INTERFUND BILLING SYSTEM PROCEDURESA. POLICY

1. General. The interfund billing system and policies governing its use are prescribed in DoDI 7420.12 (reference (h)). Except for the exclusions shown below, it is DoD policy that DoD customers shall authorize suppliers to use the interfund billing system to reimburse themselves for materiel.

2. Exclusions

a. The interfund billing system is not mandatory for use when the funds involved are Military Assistance Grant Aid or where only limited sales occur between DoD Activities.

b. The interfund billing system may not be used to bill non-DoD customers (e.g., state or local governments, private contractors, individuals, or nonappropriated fund instrumentalities) or major end items such as complete aircraft, ships, tanks, space vehicles, and missiles.

c. Except for the GSA, non-DoD suppliers may not use the interfund billing system to bill DoD customers.

B. PRINCIPLES OF THE INTERFUND BILLING SYSTEM

1. The interfund billing system allows suppliers to reimburse themselves, from appropriations designated by the customer, at the time of billing. The supplier forwards an automated billing to the billed office and reports, to the Treasury, a reimbursement of the supplying funds, with an offsetting charge to the customer's fund.

2. Interfund bills, therefore, are both "bills" and notices to the customer that its funds have been charged and the "bill" paid.

3. Billed offices will, upon receipt of the "bill", either accept and record the charge or, when the charge is questionable or erroneous, suspend the charge. Charges will be suspended by transferring the questionable or erroneous portion to the interfund clearing account (treasury account symbol F3885). When the charge is acceptable but the account disbursed by the billing office is not, the billed office will accept and record the charge to the proper account. The billed office will also follow procedures prescribed by its disbursing officer to correct the account reported to Treasury.

4. Only the billing office is authorized to adjust or otherwise reverse reimbursements reported by the billing office.

### C. PREPARATION OF INTERFUND BILLS

Interfund bills will be prepared in accordance with procedures prescribed in chapter 2.

### D. INTERFUND REPORTS

1. Billing office reports. Billing offices will report interfund reimbursements in accordance with procedures prescribed by their Service or Agency.

2. Billed office reports. Billed offices will report; that is, correct or otherwise clear, interfund disbursements charged to their office in accordance with procedures prescribed by their Service or Agency.

3. Departmental level reports. Central accounts offices will consolidate billed and billing office reports and include any needed adjustments in a departmental level "Statement of Interfund Transactions" and related reports as prescribed in this chapter.

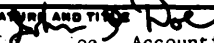
### E. STATEMENT OF INTERFUND TRANSACTIONS

1. Purpose and Reports Control Symbol. This section prescribes a monthly report on interfund transactions. The Statement of Interfund Transactions provides the OSD with a summarized classification of receipts and outlays processed under the interfund billing system. These reporting requirements are assigned the reports control symbol of DD-Comp(M) 1655.

2. Applicability and Scope. The provisions of this section apply to all DoD Components and to their disbursing officers, as well as to the Department of the Navy associate disbursing officers (referred to collectively as "disbursing officers"). It establishes the requirements and procedures for the preparation and submission of reports on interfund transactions.

3. Report Form. The Statement of Interfund Transactions must be submitted to the ASD(C) on DD Form 1400, Statement of Interfund Transactions (figure 5-1), or DD Form 1400m, Statement of Interfund Transactions (figure 5-2). The DD Form 1400 is designed for preparation by use of a typewriter and the DD Form 1400m is designed for preparation by use of automatic data processing equipment. Minor deviations in the format of the DD Form 1400m are permitted if approved in advance by the ODASD(MS). The Statement of Interfund Transactions may be submitted in tape format prescribed for the Statement of Transactions by the DoD Accounting Manual (reference (i)), if the reporting DoD Component has been formally notified by the ASD(C) that machine sensible data will suffice. The GSA will submit a Statement of Intra-Governmental Transactions (figure 5-3).

4. Frequency and Distribution. The Statement of Interfund Transactions must be submitted to the ASD(C) as promptly as possible,

STATEMENT OF INTER-FUND TRANSACTIONS					
1. SERVICE AND STATION/AGENCY NUMBER U.S. Army/ 2100				2. ACCOUNTING PERIOD January 1985	
3. NAME AND ADDRESS OF INSTALLATION U.S. Army Finance and Accounting Center/ FINCO-C Indianapolis, In 46249					
APPROPRIATION OR FUND SYMBOL				REIMBURSEMENTS (Credits)	EXPENDITURES (Charges)
DEPT	FISCAL YEAR	SYMBOL	SUB OR LIMIT		
17	5	1105			1,432,685.22
17	5	1405			16,467.12
17	x	4911			4,986,453.66
21	5	2020			45,674,284.77
21	4	2031			3,165.93
21	5	2031			79,684.55
21	4	2060			7,800.00CR
21	5	2060			83,268.34
21	x	4991		79,459,924.55	
21	x	4991			68,276,964.42
57	5	3010			59,216.89
57	5	3080			456,387.66
57	x	4921			39,856,045.21
97	5	0100			13,487,259.40
97	5	0400			259,163.80
97	x	4961		95,203,322.42	
<b>TOTALS</b>				176,610,246.97	174,563,246.97
DATE February 20, 1985				SIGNATURE AND TITLE  Accounting Officer	

DD FORM 1400

Figure 5-1. DD Form 1400, Statement of Interfund Transactions

STATEMENT OF INTER-FUND TRANSACTIONS										REPORT CONTROL SYMBOL OSD 1119	
1. SERVICE AND STATION/AGENCY NUMBER					2. ACCOUNTING PERIOD						
U.S. Army / 2100					January 1985						
3. NAME AND ADDRESS OF INSTALLATION											
U.S. Army Finance and Accounting Center/ FINCO-C Indianapolis, IN 46249											
APPROPRIATION OR FUND SYMBOL				REIMBURSEMENTS (Credits)				EXPENDITURES (Charges)			
DEPT	FISCAL YEAR	SYMBOL	SUB OR LIMIT								
17	5	1105							1	432	685 22
17	5	1405							16	467	12
17	x	4911							4	986	453 66
21	5	2020							45	674	284 77
21	4	2031							3	165	93
21	5	2031							79	684	55
21	4	2060							7	800	00CR
21	5	2060							83	268	34
21	x	4991		79	459	924	55				
21	x	4991						68	276	964	42
57	5	3010							59	216	89
57	5	3080							456	387	66
57	x	4921						39	856	045	21
97	5	0100						13	487	259	40
97	5	0400							259	163	80
97	x	4961		95	203	322	42				
TOTALS					174	663	246 97		174	663	246 97
DATE		SIGNATURE AND TITLE									
February 20, 1985		John Q. Doe, Accounting Officer									

DD FORM 1400m, 1 OCT 82

Figure 5-2. DD Form 1400m, Statement of Interfund Transactions

(Will be included at a later date)

Figure 5-3. Statement of Intra-Governmental Transactions

but in any event, it must be delivered no later than the close of business on the eighth workday of the month immediately following the close of the reporting month.

5. Adjustments. In preparing the Statement of Interfund Transactions, central accounts offices or offices designated by the Army, Navy, Air Force, and the GSA will convert the fiscal year of lapsed accounts reported on billing and billed office interfund reports to the "M" account and invalid account symbols to the clearing account "F3885" - "Undistributed Intragovernmental Payments".

6. Other Reporting Requirements

a. Extract of the Statement of Interfund Transactions

(1) Each Military Department (and the GSA for its equivalent report) must furnish an "extract" of the Statement of Interfund Transactions to each DoD Component and other Agencies for which it collects or disburses showing the transactions for that Component or Agency. DoD Components may be identified by their unique suffix/limit code on department "97" appropriations.

(2) Extracts of the Statement of Interfund Transactions (and the GSA equivalent) which are forwarded to DoD central accounts offices will be supported by summary billing records (DI code FS\_). The summary billing records will be forwarded to the appropriate central accounts office via AUTODIN under precedence "priority" and will cite a content indicator code of "IFBA" on the AUTODIN header record. The GSA will provide magnetic tapes of the SBRs to DAASO which will route the SBRs to appropriate CAO via AUTODIN. The following communications routing identifier codes will be used:

<u>CAO</u>	<u>Content Indicator Code</u>
USAFAC	RUFEDCD
AFAFC	RUVEGAA
NAFC	RUEOBAW

(3) The extracts should be submitted as soon as possible but no later than two workdays after the Statement of Interfund Transactions is submitted to ASD(C).

b. Defense Agency Appropriations. A Statement of Interfund Transactions summarizing the transactions by appropriation for each Defense Agency must be provided to the Director for Budget and Finance, Washington Headquarters Services, Washington, D.C. 20301-0001.

c. Reconciliation Worksheet. When the summary billing records do not fully support the amounts, by appropriation, on the extracts reported to other CAOs, a reconciliation worksheet must be forwarded

to the CAO. The worksheet will be provided<sup>1</sup> by the twentieth work-day following the close of the month and will include, at a minimum, the information provided in the sample reconciliation worksheet (fig. 5-4).

d. These reports must be in hard copy unless the recipient has agreed to accept the report in some other form. For example, the data needs of the Military Departments for the extract could be met by an exchange of tapes referred to in section E, if mutually agreeable.

## 7. Hard Copy Report Preparation

### a. General

(1) Each DD Form 1400 or 1400m must be completed with the heading information required.

(2) If more than one sheet is used to report the amounts of transactions, the grand total for each column must be shown on the last page of the statement. Page totals are optional.

(3) Each hard copy statement must be signed by the officer under whose direction it was prepared.

(4) Negative amounts must be identified by the suffix "Cr".

### b. Columnar Entries

(1) Appropriation or Fund Symbol. Enter the department index number assigned by the Treasury Department as a prefix to that department's appropriation symbols, fiscal year or other appropriate indicator (e.g. "F" if clearing account, "X" if no year, and etc.), treasury account symbol of the appropriation, other fund, or receipt account for which the amounts of the transactions are being reported. Include any prefix or suffix prescribed by the Treasury Department on the Classification Authorization (TFS Form 7102 or 7103). No other suffix or prefix may be shown.

(2) Reimbursements (Credits). Enter the amounts of appropriation reimbursements collected applicable to each related appropriation or other fund account.

(3) Expenditures (Charges). Enter the amounts of disbursements chargeable to each appropriation or other fund symbol.

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<sup>1</sup>Must be implemented no later than 1 Oct 85



Reconciliation Worksheet

Departmental Level Extract: Statement of Interfund Transactions  
Reporting Period June 1985

From:

Commander  
Navy Accounting and Finance Center  
NAFC-63  
Washington, D.C. 20376-5001

To:

Commanding General  
U.S. Army Finance and Accounting Center  
Indianapolis, IN 46249-001

Section A. Reconciliation

<u>Expenditure Appropriation or Fund Symbol</u>	<u>Value of Summary Billing Records Transmitted</u>	<u>Value Reported on Statement of Interfund Transactions</u>	<u>Difference</u>
2142020	\$125,000.00	\$119,000.00	\$( 6,000.00)
2132020	60,000.00	60,000.00	-0-
2112020	10,000.00	-0-	(10,000.00)
21M2020	6,000.00	16,000.00	10,000.00
2142021	5,000.00	-0-	(5,000.00)
21F3885	7,000.00	18,000.00	11,000.00
<b>Total</b>	<b>\$213,000.00</b>	<b>\$213,000.00</b>	<b>\$ -0-</b>

Section B. Reconciliation of Difference

<u>Bill Number</u>	<u>R.I. Code of Billing Office</u>	<u>Billed Office DODAAC</u>	<u>Appropriation Charged on Summary Billing Record</u>	<u>Appropriation Charged on Statement of Interfund Transaction</u>	<u>Amount</u>
C1236	NNZ	W15R7S	2112020	21M2020	\$ 3,891.86
C1236	NOZ	W61DE0	2112020	21M2020	6,021.86
C1236	NDZ	WT5JYO	2112020	21M2020	86.28
<b>Subtotal</b>				21M2020	<b>\$10,000.00</b>
C0927	N32	WK4GGD	2142021	21F3885	1,496.84
C0987	N35	W25P02	2142021	21F3885	3,503.16
C1206	N32	W25PVD	5742020	21F3885	2,935.84
C1029	N35	W25MWY	5742020	21F3885	3,064.16
<b>Subtotal</b>				21F3885	<b>\$11,000.00</b>
<b>Total</b>					<b>21,000.00</b>

Figure 5-4. Reconciliation Worksheet (sample)

**F. SERVICE OR AGENCY LEVEL INTERFUND PROCEDURES**

The Army, Navy, Air Force, and the GSA will prescribe procedures, consistent with those prescribed in this manual, for:

a. Reporting interfund reimbursements and disbursements originated by activities serviced by their disbursing offices and which will be included in their Statement of Interfund Transactions.

b. Adjusting, suspending, accepting or otherwise clearing interfund disbursements charged to activities serviced by their disbursing offices and whose adjustments will be included in their Statement of Interfund Transactions.

c. Ensuring that there are adequate controls over interfund related transactions such that:

(1) Lapsed accounts are not reported to the Department of Treasury or other DoD Components.

(2) Invalid account symbols are converted to the clearing account, F3885- "Undistributed Intragovernmental Payments".

(3) Reimbursements/disbursements reported by billing offices and adjusted during higher level processing are supported or reconcilable.

(4) Disbursements charged to billed offices are processed by the billed office.

(5) Amounts placed in suspense; that is, charged to the clearing account (F3885), are transferred to another account or are otherwise cleared within a reasonable period. The clearing account was authorized to temporarily record erroneous collections; therefore, the reporting of the clearing account at fiscal year end is not authorized. Balances remaining in the clearing account at the end of the fiscal year will be prorated to the DoD Component's appropriations based upon estimates. These adjustments will be reversed and the clearing account restored as of the new fiscal year.

## CHAPTER 6

LOGISTICS INFORMATION DATA SERVICES REPORTSA. GENERAL

1. Logistics information data services reports for MILSBILLS (section 26 of the LIDS) are derived from MILSBILLS records routed by DAASO. These monthly reports are prescribed by the DAAS manual (reference (t)) and are furnished in microfiche form. MILSBILLS focal point representatives may request the MILSBILLS related reports in printed form.

2. LIDS reports for MILSBILLS are distributed to MILSBILLS focal point (and alternate) offices and others authorized by the DAAS manual to receive LIDS reports.

B. BILLING ADJUSTMENTS BY BILLING OFFICE

1. This report provides, for each billing office RI code, data related to billing adjustment requests and responses. With the exception of DI code QB1, all of the transactions included in the "C" series appendices processed by DAASO during the reporting month and year indicated are included.

2. The report comprises the following data:

- a. BILLING RI CODE - to which other columnar data applies.
- b. TOTAL REQUESTS - forwarded to the billing RI code.
- c. NUMBER OF REQUESTS BY BILLING ADVICE CODE
  - (1) 19/41 (number requests citing BAC 19 & 41).
  - (2) 21/24/26 (number requests citing BAC 21, 24, & 26).
  - (3) 34 (number requests citing BAC 34).
  - (4) Other (number requests citing other BACs).
- d. TOTAL REPLIES - from the billing RI code.
- e. NUMBER OF REPLIES BY BILLING STATUS CODE
  - (1) AH/DF (number replies citing BSC AH & DF)
  - (2) CA/DH (number replies citing BSC CA & DH)
  - (3) DD (number replies citing BSC DD)
  - (4) EL/EM (number replies citing BSC EL & EM)
  - (5) OT (number replies citing other BSCs)

f. A total is provided for each first position of the billing RI codes listed and a grand total is provided for the report.

C. INTERFUND BILLS BY BILLING OFFICE

This report provides for each billing office (BILLING RI CODE) the number of interfund bills (NO. BILLS), the number of detail billing records (NO. DETAILS) which support the bills, and the value (\$ VALUE) of interfund bills processed by the DAASO during the report month. A page break and total (SUBTOT) for each service is provided as well as a total (TOTALS) for the report.

D. INTERFUND BILLS BY BILLED OFFICE

This report provides for each billed office (BILLED DODAAC) the number of interfund bills (NO. BILLS), the number of detail billing records (NO. DETAILS) which support the bills, and the value (\$ VALUE) of interfund bills processed by the DAASO during the report month. A page break and total (SUBTOT) for each service is provided as well as a total (TOTALS) for the report.

E. INTERFUND BILLS REJECTED BY DAASO

This report identifies, in a summarized form for each billing office, the reasons interfund bills were rejected by DAASO. Refer to chapter 2 for specific information related to the required DAASO edits. The following information is provided for each billing office (BILLING RI CODE):

a. \$ VALUE OF SUMMARY NOT EQUAL TO DETAILS. The NUMBER and \$ VALUE of summary billing records wherein the value of the SBR does not equate to the sum of the values of the supporting detail billing records.

b. POS. 5-7 NOT EQUAL TO DETAILS. The NUMBER and \$ VALUE of summary billing records wherein the number of supporting detail billing records indicated on the summary billing record (pos. 5-7) does not equal the number of DBRs received.

c. POS. 30-35 NOT IN DODAAF. The NUMBER and \$ VALUE of summary billing records wherein the billed DODAAC is invalid; that is, the DODAAC is not listed in the DODAAD (reference (e)).

d. TOTALS. The NUMBER and \$ VALUE of interfund bills (SBRs) rejected; the sum of the three preceding columns.

F. INTERFUND BILL RETRANSMISSION REQUESTS

1. This report provides information related to requests (DI code QB1) for copies of interfund bills submitted to the DAASO. The following information is provided for each DODAAC designated to receive (RECIPIENT DODAAC) copies of requested bills:

a. TOTAL REQUESTS. The number of requests received by the DAASO.

b. NO. RETRIEVED. The number retrieved and forwarded to the recipient DODAAC.

c. NO. UNMATCHED. The number of requests wherein the billing office DODAAC, bill number, and year of decade and month of billing on the request does not match the same information on an interfund bill in the DAASO files.

d. NO. REJECTED. The number of requests which contained insufficient information for processing.

2. Totals are provided for each Service and for the report.

G. INTERFUND BILLS BY ROUTE-TO COMM RI CODE

1. This report provides a monthly summary of interfund bills by "route-to" Comm RI code, for bills routed by the DAASO.

2. The number of interfund bills (NO. BILLS) number of detail billing records (NO. DETAILS), and the dollar value of the bills (DOLLAR VALUE) are summarized by service for each billed-to DoDAAC (BILLED DoDAAC) within a communications office to which bills are routed (Comm RI Code) by the DAASO during a month.

3. Report Format:

<u>Service</u>	<u>Comm RI Code</u>	<u>Billed DoDAAC</u>	<u>No. Bills</u>	<u>No. Details</u>	<u>Dollar Value</u>
Army	RUEBDSA	W73MFO	6	13	3,800.00
		W88CAB	1	2	200.00
	Comm RI Total		7	15	4,000.00
	RXXECC	WB4321	10	100	6,000.00
Service Total			17	115	10,000.00